

CITY OF BISMARCK EMPLOYEES PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2003

	July-03				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation Actual	Policy	Month Net ROR	Fiscal YTD Net ROR	FY03 Net ROR	Ended 6/30/2003 Net	Ended 6/30/2003 Net
LARGE CAP DOMESTIC EQUITY								
<i>Structured Growth</i>								
<i>AllianceBernstein</i>	578,117	2.5%	2.6%	3.53%	3.53%	-1.48%	-20.46%	-5.64%
<i>Russell 1000 Growth</i>				2.49%	2.49%	2.93%	-21.55%	-5.04%
<i>Structured Value</i>								
<i>LSV</i>	1,214,998	5.3%	5.1%	1.21%	1.21%	-2.05%	9.06%	3.95%
<i>Russell 1000 Value</i>				1.49%	1.49%	-1.02%	-2.19%	-0.17%
<i>Enhanced Russell 1000 Index</i>								
<i>LA Capital (Wilshire)</i>	1,188,097	5.1%	5.1%	1.61%	1.61%	1.08%	N/A	N/A
<i>Russell 1000</i>				1.99%	1.99%	0.96%	N/A	N/A
<i>Enhanced S&P 500 Index</i>								
<i>Northern Trust</i>	1,123,637	4.9%	5.1%	1.73%	1.73%	0.28%	N/A	N/A
<i>Strong</i>	1,146,758	5.0%	5.1%	1.28%	1.28%	3.30%	N/A	N/A
<i>Westridge</i>	1,279,114	5.5%	5.1%	1.77%	1.77%	0.56%	N/A	N/A
Total Enhanced S&P 500 Index	3,549,509	15.4%	15.4%	1.60%	1.60%	1.35%	N/A	N/A
<i>S&P 500</i>				1.76%	1.76%	0.24%	N/A	N/A
<i>S&P 500 Index</i>								
<i>State Street</i>	1,392,214	6.0%	6.0%	1.77%	1.77%	0.31%	-11.14%	-1.58%
<i>S&P 500</i>				1.76%	1.76%	0.24%	-11.20%	-1.61%
TOTAL LARGE CAP DOMESTIC EQUITY	7,922,936	34.3%	34.3%	1.71%	1.71%	0.49%	-9.68%	-2.32%
<i>S&P 500</i>				1.76%	1.76%	0.24%	-11.20%	-1.61%
SMALL CAP DOMESTIC EQUITY								
<i>Manager-of-Managers</i>								
<i>SEI</i>	2,878,475	12.5%	10.7%	6.11%	6.11%	0.68%	N/A	N/A
<i>Russell 2000 + 200bp</i>				6.43%	6.43%	0.37%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	2,878,475	12.5%	10.7%	6.11%	6.11%	0.68%	-3.37%	-0.65%
<i>Russell 2000</i>				6.26%	6.26%	-1.64%	-3.30%	0.97%
INTERNATIONAL EQUITY								
<i>Large Cap - Core</i>								
<i>State Street</i>	149,704	0.6%	0.6%	2.87%	2.87%	-9.96%	-13.28%	-4.72%
<i>MSCI EAFE - 50% Hedged</i>				3.28%	3.28%	-11.24%	-14.65%	-4.18%
<i>Large Cap - Active</i>								
<i>Capital Guardian</i>	364,514	1.6%	1.5%	4.37%	4.37%	-11.30%	-14.96%	0.47%
<i>Bank of Ireland</i>	70,286	0.3%	0.3%	0.97%	0.97%	-10.28%	N/A	N/A
Total Large Cap - Active	434,800	1.9%	1.8%	3.81%	3.81%	-11.12%	-14.58%	0.74%
<i>MSCI EAFE - 50% Hedged</i>				3.28%	3.28%	-11.24%	-14.65%	-4.18%
<i>Small Cap - Active</i>								
<i>Lazard</i>	77,915	0.3%	0.3%	2.04%	2.04%	-2.32%	N/A	N/A
<i>Wellington</i>	76,680	0.3%	0.3%	4.63%	4.63%	5.97%	N/A	N/A
Total Small Cap - Active	154,595	0.7%	0.6%	3.36%	3.36%	1.75%	N/A	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				3.20%	3.20%	3.91%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	739,099	3.2%	3.0%	3.52%	3.52%	-8.22%	-12.63%	-0.99%
<i>MSCI EAFE - 50% Hedged</i>				3.28%	3.28%	-11.24%	-14.65%	-4.18%
EMERGING MARKETS EQUITY								
<i>Capital Guardian</i>	386,713	1.7%	1.5%	5.63%	5.63%	7.15%	-10.61%	1.62%
<i>MSCI Emerging Markets Free</i>				6.26%	6.26%	6.96%	-7.07%	2.49%
DOMESTIC FIXED INCOME								
<i>Core Bond</i>								
<i>Western Asset</i>	1,071,576	4.6%	5.0%	-4.59%	-4.59%	13.42%	11.88%	8.58%
<i>Lehman Aggregate</i>				-3.36%	-3.36%	10.39%	10.07%	7.54%
<i>Active Duration</i>								
<i>WestAM (Criterion)</i>	1,069,551	4.6%	5.0%	-3.70%	-3.70%	9.93%	9.39%	6.85%
<i>Lehman Aggregate</i>				-3.36%	-3.36%	10.39%	10.07%	7.54%
<i>Index</i>								
<i>Bank of ND</i>	1,761,706	7.6%	8.7%	-4.32%	-4.32%	12.59%	11.06%	7.79%
<i>Bank of ND Match Loan CD Program</i>	299,134	1.3%	1.3%	0.48%	0.48%	5.83%	5.84%	5.85%
Total Index	2,060,840	8.9%	10.0%	-3.18%	-3.18%	10.77%	10.08%	7.44%
<i>Lehman Gov/Credit</i>				-4.19%	-4.19%	13.15%	10.82%	7.83%

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Convertibles								
TCW	1,232,633	5.3%	5.0%	1.25%	1.25%	10.37%	-9.08%	N/A
<i>First Boston Convertible Index</i>				0.45%	0.45%	15.35%	-3.81%	N/A
BBB Average Quality								
Strong	1,105,363	4.8%	5.0%	-4.58%	-4.58%	14.81%	10.35%	N/A
<i>Lehman BBB</i>				-4.49%	-4.49%	18.33%	9.91%	N/A
Timberland								
Evergreen (Wachovia)	2,310,921	10.0%	10.0%	-0.05%	-0.05%	12.50%	N/A	N/A
							N/A	N/A
TOTAL DOMESTIC FIXED INCOME	8,850,884	38.4%	40.0%	-2.24%	-2.24%	11.62%	6.95%	6.77%
<i>Lehman Aggregate</i>				-3.36%	-3.36%	10.39%	10.07%	7.54%
HIGH YIELD BONDS								
Western Asset	776,054	3.4%	3.5%	-1.79%	-1.79%	20.04%	2.51%	4.15%
<i>Lehman High Yield Bond Index</i>				-1.10%	-1.10%	22.77%	5.44%	2.66%
INTERNATIONAL FIXED INCOME								
International Sovereign								
UBS Global (Brinson)	211,920	0.9%	1.0%	-2.51%	-2.51%	18.20%	8.47%	5.93%
<i>Citigroup Non-US Gov't Bond Index (1)</i>				-2.59%	-2.59%	17.91%	8.10%	6.29%
International Core								
Brandywine	210,422	0.9%	1.0%	-2.49%	-2.49%	N/A	N/A	N/A
<i>Lehman Global Aggregate (ex-US)</i>				-2.59%	-2.59%	N/A	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	422,342	1.8%	2.0%	-2.49%	-2.49%	17.83%	8.36%	5.86%
<i>Citigroup Non-US Gov't Bond Index (1)</i>				-2.59%	-2.59%	17.91%	8.10%	6.29%
REAL ESTATE								
J.P. Morgan	652,860	2.8%	3.0%	0.46%	0.46%	7.80%	7.36%	10.23%
<i>NCREIF TOTAL INDEX</i>				0.69%	0.69%	7.42%	8.44%	10.11%
ALTERNATIVE INVESTMENTS								
Coral Partners V	42,174			0.00%	0.00%	-22.52%	-20.83%	-9.87%
Coral Partners V - Supplemental	2,194			0.00%	0.00%	-28.36%	N/A	N/A
Coral Partners VI	6,865			0.00%	0.00%	N/A	N/A	N/A
Brinson 1998 Partnership Fund	7,396			0.00%	0.00%	-14.73%	-11.35%	1.31%
Brinson 1999 Partnership Fund	9,417			0.00%	0.00%	-16.31%	-14.42%	N/A
Brinson 2000 Partnership Fund	15,187			0.00%	0.00%	-13.99%	-9.08%	N/A
Brinson 2001 Partnership Fund	5,240			0.00%	0.00%	-5.98%	N/A	N/A
Brinson 2002 Partnership Fund	3,173			0.00%	0.00%	9.08%	N/A	N/A
Brinson 2003 Partnership Fund	358			0.00%	0.00%	N/A	N/A	N/A
Brinson 1999 Non-US Partnership Fund	5,149			0.00%	0.00%	13.12%	2.21%	N/A
Brinson 2000 Non-US Partnership Fund	4,962			0.00%	0.00%	9.50%	-1.63%	N/A
Brinson 2001 Non-US Partnership Fund	3,255			0.00%	0.00%	-0.41%	N/A	N/A
Brinson 2002 Non-US Partnership Fund	4,668			0.00%	0.00%	5.34%	N/A	N/A
Brinson 2003 Non-US Partnership Fund	315			0.00%	0.00%	N/A	N/A	N/A
Brinson BVCF IV	25,414			0.00%	0.00%	-14.64%	-18.80%	N/A
Matlin Patterson Global Opportunities	51,665			0.00%	0.00%	N/A	N/A	N/A
InvestAmerica	3,389			0.00%	0.00%	-12.50%	N/A	N/A
Hearthstone	13,005			0.00%	0.00%	28.98%	13.57%	N/A
TOTAL ALTERNATIVE INVESTMENTS (2)	203,824	0.9%	1.0%	0.00%	0.00%	-9.78%	-11.48%	-6.74%
<i>Post Venture Capital Index</i>				7.10%	7.10%	19.78%	-29.84%	-8.37%
CASH EQUIVALENTS								
Northern Trust STIF/STEP	241,247	1.0%	1.0%	0.11%	0.11%	1.84%	3.33%	4.22%
<i>90 Day T-Bill</i>				0.07%	0.07%	1.52%	3.33%	4.07%
TOTAL FUND	23,074,435	100.00%	100.00%	0.53%	0.53%	6.14%	-0.87%	2.85%
POLICY TARGET BENCHMARK				0.12%	0.12%	5.97%	0.02%	3.65%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.